



SURFACE TRANSPORTATION BOARD

[Docket No. FD 36527]

South Kansas and Oklahoma Railroad, L.L.C.—Lease and Operation Exemption— Tulsa’s Port of Catoosa Facilities Authority

South Kansas and Oklahoma Railroad, L.L.C. (SKOR), a Class III rail carrier, has filed a verified notice of exemption under 49 CFR 1150.41 to lease from Tulsa’s Port of Catoosa Facilities Authority (the Port) and continue to operate a line of railroad extending approximately 7.1 miles between milepost 0.00, in Owasso, Okla., and milepost 7.07, in Catoosa, Okla. (the Line).

The verified notice states that SKOR previously operated the Line pursuant to assignment of a leasehold from the former Atchison, Topeka & Santa Fe Railway Company. See S. Kan. & Okla. R.R.—Lease Exemption—The Atchison, Topeka & Santa Fe Ry., FD 32082 (ICC served Aug. 11, 1992).¹ SKOR and the Port have entered into a new Rail Line Lease Agreement (the Lease Agreement) to govern the subject transaction. SKOR intends to continue common carrier operations on the Line under the terms of the Lease Agreement.

According to SKOR, the Lease Agreement does not include an interchange commitment. Further, SKOR certifies that its projected annual revenues as a result of this transaction will not result in SKOR’s becoming a Class II or Class I rail carrier, but that its current annual revenues exceed \$5 million. Pursuant to 49 C.F.R 1150.42(e), if a carrier’s projected annual revenues will exceed \$5 million, it must, at least 60 days before this exemption is to become effective, post a notice of its intent to undertake the proposed transaction at the workplace of the employees on the affected lines, serve a copy of the

¹ SKOR states that the 7.1 miles identified in this notice is a more accurate measurement of the Line than the 7.3 miles given in Docket No. FD 32082.

notice on the national offices of the labor unions with employees on the affected lines, and certify to the Board that it has done so. However, SKOR has filed a petition for waiver of the 60-day advance labor notice requirements. SKOR's waiver request will be addressed in a separate decision. The Board will establish the effective date of the exemption in its separate decision on the waiver request.

If the verified notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the effectiveness of the exemption. Petitions for stay must be filed no later than August 20, 2021.

All pleadings, referring to Docket No. FD 36527, should be filed with the Surface Transportation Board via e-filing on the Board's website. In addition, one copy of each pleading must be served on SKOR's representative, Bradon J. Smith, Fletcher & Sippel LLC, 29 North Wacker Drive, Suite 800, Chicago, IL 60606.

According to SKOR, this action is categorically excluded from environmental review under 49 CFR 1105.6(c) and from historic reporting requirements under 49 CFR 1105.8(b).

Board decisions and notices are available at www.stb.gov.

Decided: August 10, 2021.

By the Board, Valerie O. Quinn, Acting Director, Office of Proceedings.

Eden Besera,

Clearance Clerk.